

103D CONGRESS  
1ST SESSION

# S. 828

To amend the Internal Revenue Code of 1986 to impose an excise tax on campaign expenditures of candidates for Federal office in excess of campaign spending limits.

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## IN THE SENATE OF THE UNITED STATES

APRIL 27 (legislative day, APRIL 19), 1993

Mr. DORGAN introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to impose an excise tax on campaign expenditures of candidates for Federal office in excess of campaign spending limits.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EXCISE TAX ON FEDERAL CAMPAIGN EXPENDI-**  
4 **TURES IN EXCESS OF CAMPAIGN SPENDING**  
5 **LIMITS.**

6 (a) IN GENERAL.—Subtitle D of the Internal Reve-  
7 nue Code of 1986 (relating to miscellaneous excise taxes)  
8 is amended by adding at the end the following new  
9 chapter:

1           **“CHAPTER 48—EXCESS FEDERAL**  
 2                   **CAMPAIGN EXPENDITURES**

“Sec. 5010. Excess Federal campaign expenditures.

3   **“SEC. 5010. EXCESS FEDERAL CAMPAIGN EXPENDITURES.**

4           “(a) IMPOSITION OF TAX.—In the case of any can-  
 5 didate for Federal office, there is hereby imposed a tax  
 6 equal to 75 percent of the candidate’s excess campaign  
 7 expenditures during any taxable period.

8           “(b) PERSON ON WHOM TAX IMPOSED; TAXABLE  
 9 PERIOD.—For purposes of this section—

10           “(1) PERSON ON WHOM TAX IMPOSED.—The  
 11 tax imposed by subsection (a) shall be paid by the  
 12 authorized committees of the candidate.

13           “(2) TAXABLE PERIOD.—The term ‘taxable pe-  
 14 riod’ means, with respect to any election, each  
 15 month in which excess campaign expenditures were  
 16 made with respect to the election.

17           “(c) DEFINITIONS.—For purposes of this section—

18           “(1) CANDIDATE.—The terms ‘candidate’ and  
 19 ‘authorized committee’ have the meanings given to  
 20 such terms by sections 301(2) and 301(6), respec-  
 21 tively, of the Federal Election Campaign Act of  
 22 1971.

1           “(2) ELECTION.—The term ‘election’ has the  
2           meaning given such term by section 301(1) of the  
3           Federal Election Campaign Act of 1971.

4           “(3) EXCESS CAMPAIGN EXPENDITURES.—The  
5           term ‘excess campaign expenditures’ means, with re-  
6           spect to any election, expenditures by any candidate  
7           and the authorized committees of such candidate  
8           which are in excess of any limitation on such ex-  
9           penditures established by the amendments made by  
10          the Congressional Campaign Spending Limit and  
11          Election Reform Act of 1993.”.

12          (b) EFFECTIVE DATE.—The amendments made by  
13          subsection (a) shall apply to taxable periods beginning  
14          after December 31, 1993.

15   **SEC. 2. CAMPAIGN FINANCE REFORM TRUST FUND.**

16          (a) ESTABLISHMENT.—Subchapter A of chapter 98  
17          (relating to trust funds) is amended by adding at the end  
18          the following new section:

19   **“SEC. 9512. CAMPAIGN FINANCE REFORM TRUST FUND.**

20          “(a) CREATION OF TRUST FUND.—There is estab-  
21          lished in the Treasury of the United States a trust fund  
22          to be known as the ‘Campaign Finance Reform Trust  
23          Fund’, consisting of such amounts as may be credited or  
24          paid to the Trust Fund as provided in this section or sec-  
25          tion 9602(b).

1       “(b) TRANSFER TO TRUST FUND.—There is hereby  
2 appropriated to the Campaign Finance Reform Trust  
3 Fund the taxes received by the Treasury under section  
4 5010.

5       “(c) EXPENDITURES.—Amounts in the Campaign  
6 Finance Reform Trust Fund shall be available, as pro-  
7 vided in appropriation Acts, for making expenditures au-  
8 thorized by the Federal Election Campaign Act of 1971.”.

9       (b) CONFORMING AMENDMENT.—The table of sec-  
10 tions for subchapter A of chapter 98 is amended by adding  
11 at the end the following new item:

“Sec. 9512. Campaign finance reform trust fund.”.

12       (c) EFFECTIVE DATE.—The amendments made by  
13 this section shall take effect on the date of the enactment  
14 of this Act.

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